

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics, Margao-Goa
Post-Graduate Department of Commerce (M. Com)
M.Com Part-II, Semester-III, Semester End Examination, November 2023
(Accounting and Finance)
COM-622 Corporate Mergers and Acquisitions (OA - 35)

Duration: 2 Hours

Max Marks: 40

Instructions:

1. *This paper consists of six questions carrying equal marks.*
2. *Question No.1 consists of compulsory questions of 2 marks each.*
3. *Answer any **three** questions from question 2,3,4,5 and 6*
4. *Each question carries 10 marks. Figures to the right indicate marks.*

Q.1. Answer the following sub-questions. Each question carries **two** marks. (5X2=10)

- a) Revenue Generating Synergy vs Cost Reduction Synergy
- b) Geographic Extension Merger
- c) Information and Signaling Theory
- d) Friendly vs Hostile Takeover
- e) Financial Conglomerate Merger

Q.2. A. Explain the various forms of corporate restructuring that companies may undertake to facilitate expansion and growth. Provide specific examples of companies that have implemented successful restructuring strategies for expansion. (5)

B. Explain the Hubris Hypothesis in the context of mergers and acquisitions. Provide real-world examples of M&A deals that can be attributed to the hubris hypothesis. (5)

Q.3.A. What are the necessary approvals that companies need to obtain for mergers and

acquisitions in India?

(8)

B. Write a short note on Free Cash Flow Hypothesis.

(2)

Q.4.A. What are the different methods or strategies that companies can use to initiate a takeover of another firm, and how do these methods vary in terms of approach and execution?

(6)

B. In what ways can the realization of tax synergy contribute to the financial performance and shareholder value of the combined entity following an M&A transaction?

(4)

Q.5. A. What is the legal and regulatory framework governing mergers and acquisitions in India?

(6)

B. Explain any four preventive anti-takeover measures that companies employ to protect themselves from hostile takeovers.

(4)

Q.6.A. Outline the step-by-step process of initiating and completing an M&A transaction in India?

(10)

*****Best Wishes*****